

**SCHEDULE 2 - CALCULATION OF RESERVES ON DISPOSITIONS OF CAPITAL PROPERTY**

- Use this form to calculate the amounts you need to complete Schedules 1, 3, and 12.
- Column 3 is the capital gain amount from reserves you have to report at line 117 of Schedule 1. You may have a negative amount if you report a current-year disposition on Schedule 1.
- If the trust's taxation year includes February 22, 1994, use **Rev.94** Schedule 2, *Calculation of Reserves on Dispositions of Capital Property*, and the **1994** T3 guide instructions.

	1	2	3
Reserves on dispositions of capital property	Prior-year reserve	Current-year reserve	Column 1 minus column 2 (see note below)  Include the total in current-year capital gain
<b>A. For dispositions occurring after 1984 from:</b>			
1. Qualified farm property			
(a) 1985 dispositions			210
(b) 1986 and subsequent year dispositions			211
2. Qualified small business corporation shares, dispositions after June 17, 1987			212
3. Other property			214
<b>B. For all dispositions occurring before 1985</b>			215
<b>Total</b>			216

**Note:** If the amount in column 2 is more than the amount in column 1, use brackets in column 3 to show the negative amount.

Transfer the amount from line 210 to Schedule 12 if the trust is claiming reserves related to dispositions before 1986.

If the trust claimed a reserve at line 209 in previous years, include the prior-year reserve amount at line 214, column 1.

Transfer the total from column 3 to line 117 of Schedule 1.